

with high levels of applications changed due to verification. Contin-  
 gent upon new funding to support this  
 purpose, FNS will also require each  
 State agency to report the aggregate  
 number of students who were termi-  
 nated as a result of verification but  
 who were reinstated as of February  
 15th. The first report containing this  
 data element would be required in the  
 school year beginning July 1, 2005 and  
 each school year thereafter. State  
 agencies are encouraged to collect and  
 report any or all verification data ele-  
 ments before the required dates.

(Secs. 801, 803, 812; Pub. L. 97-35, 95 Stat. 521-  
 535 (42 U.S.C. 1753, 1758, 1759(a), 1773, 1778))

[35 FR 14065, Sept. 4, 1970, as amended at 38  
 FR 14958, June 7, 1973; Amdt. 8, 40 FR 57208,  
 Dec. 8, 1975; 44 FR 1364, Jan. 5, 1979; 46 FR  
 51368, Oct. 20, 1981; 48 FR 12511, Mar. 25, 1983;  
 52 FR 19276, May 22, 1987; 64 FR 50744, Sept.  
 20, 1999; 64 FR 72474, Dec. 28, 1999; 66 FR 48333,  
 Sept. 20, 2001; 68 FR 53490, Sept. 11, 2003; 72  
 FR 63796, Nov. 13, 2007]

EFFECTIVE DATE NOTE: At 68 FR 53490,  
 Sept. 11, 2003, §245.11(i) was added. This para-  
 graph contains information collection and  
 recordkeeping requirements and will not be-  
 come effective until approval has been given  
 by the Office of Management and Budget.

**§ 245.12 Fraud penalties.**

(a) Whoever embezzles, willfully  
 misapplies, steals, or obtains by fraud  
 any funds, assets, or property provided  
 under this part, whether received di-  
 rectly or indirectly from the Depart-  
 ment, shall—

(1) If such funds, assets, or property  
 are of a value of \$100 or more, be fined  
 not more than \$25,000 or imprisoned not  
 more than five years of both; or

(2) If such funds, assets, or property  
 are of a value of less than \$100, be fined  
 not more than \$1,000 or imprisoned not  
 more than one year or both.

(b) Whoever receives, conceals, or re-  
 tains to his use or gain funds, assets, or  
 property provided under this part,  
 whether received directly or indirectly  
 from the Department, knowing such  
 funds, assets, or property have been  
 embezzled, willfully misapplied, stolen,  
 or obtained by fraud, shall be subject

to the same penalties provided in para-  
 graph (a) of this section.

(Sec. 10(a), Pub. L. 95-627, 92 Stat. 3623 (42  
 U.S.C. 1760); sec. 14, Pub. L. 95-627, 92 Stat.  
 3625-3626)

[Amdt. 14, 44 FR 37901, June 29, 1979, as  
 amended at 64 FR 50744, Sept. 20, 1999]

**§ 245.13 Information collection/record-  
 keeping—OMB assigned control  
 numbers.**

7 CFR section where requirements are de- scribed	Current OMB control number
245.3 (a), (b) .....	0584-0026
245.4 .....	0584-0026
245.5 (a), (b) .....	0584-0026
245.6 (a), (b), (c), (e) .....	0584-0026
245.7(a) .....	0584-0026
245.9 (a), (b), (c) .....	0584-0026
245.10 (a), (d), (e) .....	0584-0026
245.11 (a), (a-1), (b), (c), (d), (f) .....	0584-0026
245.13(a)-(c) .....	0584-0026

[50 FR 53258, Dec. 31, 1985. Redesignated at 64  
 FR 50744, Sept. 20, 1999]

**PART 246—SPECIAL SUPPLEMENTAL  
 NUTRITION PROGRAM FOR  
 WOMEN, INFANTS AND CHIL-  
 DREN**

**Subpart A—General**

- Sec.
- 246.1 General purpose and scope.
- 246.2 Definitions.
- 246.3 Administration.

**Subpart B—State and Local Agency  
 Eligibility**

- 246.4 State plan.
- 246.5 Selection of local agencies.
- 246.6 Agreements with local agencies.

**Subpart C—Participant Eligibility**

- 246.7 Certification of participants.
- 246.8 Nondiscrimination.
- 246.9 Fair hearing procedures for partici-  
 pants.

**Subpart D—Participant Benefits**

- 246.10 Supplemental foods.
- 246.11 Nutrition education.

**Subpart E—State Agency Provisions**

- 246.12 Food delivery systems.
- 246.13 Financial management system.
- 246.14 Program costs.
- 246.15 Program income other than grants.
- 246.16 Distribution of funds.

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- 246.16a Infant formula cost containment.
- 246.17 Closeout procedures.
- 246.18 Administrative appeal of State agency actions.

### Subpart F—Monitoring and Review

- 246.19 Management evaluation and monitoring reviews.
- 246.20 Audits.
- 246.21 Investigations.

### Subpart G—Miscellaneous Provisions

- 246.22 Administrative appeal of FNS decisions.
- 246.23 Claims and penalties.
- 246.24 Procurement and property management.
- 246.25 Records and reports.
- 246.26 Other provisions.
- 246.27 Program information.
- 246.28 OMB control numbers.

AUTHORITY: 42 U.S.C. 1786.

SOURCE: 50 FR 6121, Feb. 13, 1985, unless otherwise noted.

## Subpart A—General

### § 246.1 General purpose and scope.

This part announces regulations under which the Secretary of Agriculture shall carry out the Special Supplemental Nutrition Program for Women, Infants and Children (WIC Program). Section 17 of the Child Nutrition Act of 1966, as amended, states in part that the Congress finds that substantial numbers of pregnant, postpartum and breastfeeding women, infants and young children from families with inadequate income are at special risk with respect to their physical and mental health by reason of inadequate nutrition or health care, or both. The purpose of the Program is to provide supplemental foods and nutrition education through payment of cash grants to State agencies which administer the Program through local agencies at no cost to eligible persons. The Program shall serve as an adjunct to good health care during critical times of growth and development, in order to prevent the occurrence of health problems, including drug and other harmful substance abuse, and to improve the health status of these persons. The program shall be supplementary to the Food Stamp Program; any program under which foods are dis-

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tributed to needy families in lieu of food stamps; and receipt of food or meals from soup kitchens, or shelters, or other forms of emergency food assistance.

[50 FR 6121, Feb. 13, 1985, as amended at 54 FR 51294, Dec. 14, 1989; 58 FR 11506, Feb. 26, 1993]

### § 246.2 Definitions.

For the purpose of this part and all contracts, guidelines, instructions, forms and other documents related hereto, the term:

*7 CFR part 3016* means the Department's Uniform Federal Assistance Regulations. Part 3016 implements the policies established by the Office of Management and Budget (OMB) in Circulars A-21, A-87, A-102, A-110, and A-122, as well as OMB Guidance on Implementation of the Federal Grant and Cooperative Agreement Act of 1977.

*7 CFR part 3017* means the Department's Common Rule regarding Governmentwide Debarment and Suspension (Non-procurement). Part 3017 implements the requirements established by Executive Order 12549 (February 18, 1986).

*7 CFR part 3018* means the Department's Common Rule regarding Governmentwide New Restrictions on Lobbying. Part 3018 implements the requirements established by section 319 of the 1990 Appropriations Act for the Department of Interior and Related Agencies (Pub. L. 101-121).

*7 CFR part 3021* means the Department's Common Rule regarding Governmentwide Requirements for Drug-Free Workplace. Part 3021 implements the requirements established in section 5151-5160 of the Drug-Free Workplace Act of 1988 (Pub. L. 100-690).

*Above-50-percent vendors* means vendors that derive more than 50 percent of their annual food sales revenue from WIC food instruments, and new vendor applicants expected to meet this criterion under guidelines approved by FNS.

*Affirmative Action Plan* means that portion of the State Plan which describes how the Program will be initiated and expanded within the State's jurisdiction in accordance with § 246.4(a).